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STUDY ON THE PHILIPPINE MARKET FOR CABLE TELEVISION AND BROADCAST EQUIPMENT

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EXECUTIVE SUMMARY

BACKGROUND ON THE PHILIPPINE BROADCAST INDUSTRY

Industry Profile

The broadcast industry belongs to the communications sector. Gross value added at current prices of the sector in 1988 was 7.9 billion or one per cent of gross national product. Although general economic performance began to improve in 1986 and 1987, the communications sector responded to the favorable business climate only in 1988 when it recorded a growth of 4.2 per cent. For the first half of 1989, the sector grew by 8.1 per cent.

Radio and television broadcasting are the two main activities of the Philippine broadcasting industry. Radio has a wider reach than television. In 1987, around 78 per cent of all households in the country had radios while only about 40 per cent owned television (TV) sets. Cable television was recently introduced as another activity but it is limited to only a few urban areas.

Philippine broadcasting relies mainly on commercial sponsorship, that is, radio and television stations sell air time to advertisers to generate revenues to finance their operations. Noncommercial broadcasting accounts for only a small percentage of the industry.

At present, there are a total of 359 radio stations in the country, 246 (68.5%) of which are Amplitude Modulation (AM) stations and 113 (31.5%) Frequency Modulation (FM) stations. The majority, 303, of the radio stations are commercial while only 56 are noncommercial.

In 1988, 141 of the AM stations reported gross billings of 295.5 million while 64 of the FM stations had reported billings of ₱198.0 million.

The television broadcast industry is comprised of five networks all based in Metro Manila: ABS-CBN which operates Channel 2; People's Television, a government-owned network which operates Channel 4; GMA-Television Arts which operates Channel 7; Kanlaon Broadcasting System which operates Channel 9; and Intercontinental Broadcasting Company which operates Channel 13. These networks own relay stations strategically located in various parts of the country. They also operate a number of radio stations.

At present, there are a total of 82 TV stations, 40 (48.8%) of which are originating stations and 42 (51.2%) are relay/ translator stations. Fifty-two TV stations are commercial while 30 are noncommercial.

Reported billings in 1988 of 18 of the TV stations was ₱836.4 million.

Cable TV is different from radio and TV broadcasting in the nature of broadcast and source of revenue. In the Philippines, the cable TV industry includes all facilities that directly or indirectly receive, amplify, or improve the signals broadcast by one or more TV, satellite, or radio stations, and distributes the signals (programs) by wire or cable to subscribing members. Cable TV stations may also carry originated programs. Revenues are generated from subscription payments of subscribing members.

There are currently 13 cable TV stations serving different cities in the country. There is no available record of revenues of this industry.

Regulatory Framework

The Philippine broadcast industry is regulated by three bodies: the National Telecommunications Commission (NTC), the Department of Transportation and Communication (DOTC) of which the NTC is part, and the Kapisanan ng mga Brodkaster sa Pilipinas (KBP), a private sector organization.

The NTC is the government body mandated to regulate the broadcast industry. Its Broadcast Services Department is the office directly responsible for carrying out such regulatory functions. The DOTC, on the other hand, formulates policies for both the telecommunications industry as a whole and the broadcast industry.

The KBP is a self-regulating organization consisting of radio and TV station-members. It was established to formulate policies and guidelines for the operations of its members. It enforces programming and advertising rules and imposes penalties for violations.

The NTC, DOTC, and KBP are members of the tripartite committee tasked to formulate a broadcasting policy for the industry. The KBP has come up with Technical Standards and Operating Requirements for broadcast stations which the NTC has adopted.

Radio and TV stations are allowed to import equipment, spare parts, and allied and technical and program materials provided these are for their exclusive use. Equipment that is not available locally may be imported without prepayment of customs duties and compensating tax. However, radio and TV stations are required to obtain authorization from the NTC for the importation of equipment needed for their operations.

Importations of radio and TV equipment are subject to tariff duties ranging from 30 to 50 per cent based on dutiable value. The following shows the tariff rates imposed on the different types of radio and TV equipment:

	Rate (%)
Microphones and stands; audio-frequency electric amplifiers; electric sound amplifier sets	30
Turntables (record decks), record players, and other sound reproducing apparatus	50
Transmission apparatus for radio broadcasting or television	50
Television cameras	30
Reception apparatus for radio broadcasting	50

Aside from the tariff duty, imported broadcast equipment is subject to a five per cent ad valorem duty and a 10 per cent value added tax.

Recent events in the industry have brought to the fore the controversial issue regarding media ownership.

The 1986 Philippine Constitution sets certain limits on ownership of media facilities. It empowers Congress to regulate or prohibit monopolies in commercial mass media, and does not allow combination in restraint of trade or unfair competition.

This constitutional provision is supported by Presidential Decree 576-A, issued by then President Marcos. The decree limits the number of stations that a person or corporation may own to not more than one radio or TV station in one municipality or city; or not more than five AM and five FM stations nationwide; or not more than five television channels in the entire country. It also terminated on December 31, 1981 all existing franchises or any other form of authority to operate radio and TV stations.

The decree, however, was and continues to be enforced half-heartedly. KBP and NTC sources claim that some influential sectors in the industry refuse to acknowledge the existence of this law. To date, the issue remains unresolved causing uncertainty in the industry.

A related issue is the Cease and Desist Order (CDO) imposed by the DOTC to the NTC in July 1988 with regard to the issuance of permits for stations to operate. Since the imposition of this order, only temporary permits have been issued. The NTC has also stopped acting on any application for upgrading of equipment.

THE CABLE TELEVISION AND BROADCAST EQUIPMENT MARKET

Demand for Imported Equipment

The major types of cable TV and broadcast equipment imported by the Philippines include transmitting equipment, video equipment, audio equipment, recording equipment, specially fabricated accessories for studio equipment, lighting equipment, and drop cables used for cable television. Based on trade statistics from the National Statistics Office, Philippine imports in 1988 of transmitting, video, audio, and recording equipment and parts and accessories totaled CIF US$5.5 million, representing a 77.6 per cent increase over the 1987 level. Following is the breakdown of the 1988 imports:

	CIF Value (million US$)	% Share of Total
Transmitting equipment	1.6	29.4
Video equipment	1.5	27.2
Audio equipment	0.9	16.7
Recording equipment	0.6	10.7
Parts and accessories	0.9	16.0
Total	5.5	100.0

Average annual import volumes of the same equipment for the years 1987 and 1988 were as follows:

	No. of Pieces
Transmitting equipment	14,412
Video equipment	16,488
Audio equipment	187,834
Recording equipment	386
Parts and accessories	237,558

The specific types of equipment which registered significant import volumes include transmitters-receivers, TV camera parts, microphones, microphone parts, audio-frequency amplifiers, turntables, and TV studio parts and accessories.

Lighting equipment and drop cables are used by other end users aside from the cable TV and broadcast industry. Import value of lighting equipment reached CIF US$3.2 million in 1988. The percentage that went to the broadcast industry cannot be determined. Total import value rose by 25.2 per cent from the 1987 level. On the other hand, total import volume declined by 27.1 per cent to 15.9 million pieces during the same period. This can be attributed to the higher average unit values of special purpose bulbs and searchlights and spotlights.

Drop cables are used in the broadcast industry, particularly in cable television. However, as in the case of lighting equipment, there are other users of drop cables aside from the broadcast industry. It is therefore difficult to determine what proportion of imports is accounted for by the broadcast industry. In any case, total imports of drop cables totaled CIF US$22.1 million in 1988, up by 19.4 per cent from the 1987 level despite the decline in import volume.

Factors Affecting Demand

The uncertainties in the telecommunications sector arising from policy and implementation issues which have yet to be resolved make it difficult to project demand for broadcast equipment.

However, the major factors that will affect the growth of demand for cable TV and broadcast equipment in the short term are likely to be:

- expansion plans of existing radio and TV stations;
- NTC action on broadcast applications;
- overall government policy in telecommunications;
- replacement requirements of the industry; and
- growth of other activities using video, audio, and lighting equipment.

The expansion programs of radio and television stations will result in increased demand for imported broadcast equipment. The nature of competition in the industry has necessitated expansion in operations. ABS-CBN's Channel 2 and GMA-Television Arts' Channel 7 have recently undertaken expansion programs. The other networks namely IBC Channel 13, RPN Channel 9, and the cable TV station Sining Makulay, have been unable to follow suit due to ownership questions which have remained unresolved to date. These stations were sequestered by the government in 1986.

Growth in demand for broadcast equipment has its highest potential in the opening of new stations. The latter, however, depends on whether or not pending applications with the NTC will be approved. At present, pending applications with the NTC total 47: 21 for radio stations, 11 for TV stations, and 15 for cable TV.

The upgrading of technology is another major source of demand. However, this matter has surfaced questions on media power. For example, ABS-CBN's plan to use the facilities of the Indonesian satellite Palapa received strong opposition from Congress as well as other sectors of the industry because it was viewed as a monopolistic move. This issue also remains unresolved and will depend on the telecommunications policy to be developed by the DOTC.

The replacement of equipment by existing radio and TV stations is a regular source of growth in demand. Import statistics for 1987 and 1988 show high growth of imports of parts and accessories.

Other activities that will spur the growth in demand for broadcast equipment include disco and other entertainment establishments using the latest video, audio, and lighting equipment. These businesses continue to thrive in the Philippines.

Notwithstanding the ambiguities in current policy, major local distributors project a 20-30 per cent annual growth in demand over the next few years. This will be brought about by the continued positive economic growth which will require wider use of media and facilities and the entry of new products notably those from the U.S., Japan, and Taiwan.

Sources of Supply

Cable television and broadcast equipment are sourced from both local production and imports. Local production, however, is relatively small in volume and limited to radio transmitters and radio studio equipment. The local fabricators of these equipment are Empire Communications, Galang Industries, and Ermita Electronics.

A number of local export-oriented companies produce a wider range of equipment and parts. Philippine exports of broadcast equipment include transmitters-receivers, relays, TV monitors, TV cameras and parts, audio-frequency amplifiers, microphone parts, record players or changers, and TV image and sound recorders and reproducers. Philippine exports of these equipment in 1988 reached FOB US$19.9 million.

On the other hand, the local broadcast industry depends mainly on imports for its equipment requirements. Overall, Japan and the U.S. were the top suppliers of cable TV and broadcast equipment.

Following are the leading country sources of selected broadcast equipment and their corresponding market share based on the combined CIF value of Philippine imports from these countries during the period 1987-88:

	Country	1987 & 1988 CIF Import Value (US$)	% Market Share
Transmitting Equipment			
Radio broadcasting equipt	Canada	125,840	63.2
	U.S.	73,250	36.8
TV transmitters	U.S.	89,774	100.0
Transmitters-receivers	U.S.	1,522,891	57.2
	U.K.	893,873	33.6
Transmitting tubes	U.S.	16,405	100.0
Video Equipment			
TV monitors	U.S.	122,734	45.6
	Japan	83,074	30.8
TV cameras	U.S.	309,733	37.5
TV camera parts	Japan	886,780	77.3
Audio Equipment			
Microphones	Taiwan	315,302	72.4
Microphone parts	Japan	317,558	80.0
Microphone stands	Taiwan	3,709	72.4
Audio-frequency amplifiers	Japan	157,544	40.4
Record players or changers	Japan	13,750	96.5
Turntables	S. Korea	69,646	92.1

Recording Equipment			
TV image and sound recorders	U.S.	648,411	59.4
Parts and Accessories for TV Equipment	Japan	731,494	76.4
Insulated Cables	Japan	12,175,100	30.0
	U.S.	12,053,265	29.7
	Taiwan	11,853,483	29.2
Lighting Equipment	Taiwan	1,221,818	21.1

Sales Practices of Local Distributors

Imported broadcast equipment is generally sold through local distributors or sales agents. Only the large radio and television networks import equipment directly from foreign suppliers.

Local distributors either sell a range of products and brands or tie up as exclusive distributors of a foreign supplier. Local agents designated as exclusive distributors are entitled to sales commissions and discounts from their foreign supplier. In addition, they also have travel benefits arising from promotional activities of their supplier.

Other local distibutors make a profit through markups on the cost of equipment or from commissions or discounts from foreign suppliers.

The terms of payment granted to buyers vary among the distributors. The distributors require cash on delivery, seven days' credit, or installment payments.

Inventories are usually not maintained. Equipment is ordered from abroad upon receipt of a buyer's order and delivered to the buyer within two to three months. Smaller items, however, are kept in stock.

The distributors generally open the letters of credit (L/C) upon placement of an order. There are instances, however, when the buyers take care of opening the L/C, with the distributor only facilitating the order.

BACKGROUND ON THE PHILIPPINE BROADCAST INDUSTRY

INDUSTRY PROFILE

The broadcast industry in the Philippines is a part of the larger communications sector. In 1988, the communications sector as a whole had gross value added at current prices of ₱7.9 billion, or roughly one per cent of gross national product (GNP). While overall economic recovery in the Philippines started in 1986 and 1987, expansion in the communications sector began only in 1988 when it posted an annual growth of 4.2 per cent. For the first semester of 1989, the communications sector was estimated to have grown by 8.1 per cent. (See Table 1.)

Table 1
GROSS VALUE ADDED IN COMMUNICATIONS: 1986-1989
(In Million Pesos)

	Gross National Product	Gross Value Added in Communications
Current Prices		
1986	614,703	6,784
1987	703,361	7,369
1988	823,767	7,916
1989*	447,389	4,219
Constant 1972 Prices		
1986	89,504	1,232
1987	94,797	1,178
1988	101,186	1,228
1989*	52,756	642
Real Growth Rates		
1986-87	5.91	(4.38)
1987-88	6.74	4.24
1988-89*	5.33	8.08

* 1989 figures refer to first semester. 1988-89 growth rates refer to semestral comparisons.

Source: National Statistics Coordination Board.

The Philippine broadcast industry consists of two major activities, radio and television. Of the two, radio has a larger reach; in 1987, 78 per cent of all households had radios while only 40 per cent owned TV sets. In recent years, cable television has emerged as a new activity but its reach is limited to a few urban areas.

Philippine broadcasting is based mainly on commercial sponsorship, that is, stations rely on the sale of air time to advertisers to generate revenues and finance their operations. Because their primary motivation is to sell their products, advertisers typically choose programs and stations with the largest audience. This makes radio and television broadcasting in the country very competitive. Noncommercial broadcasting accounts for only a small percentage of the industry.

Radio broadcasting in the Philippines started in the 1920's with a 20-watt station. Interest in the new medium grew so fast that by the 1930's, radio broadcasting had already graduated from the experimental stage. World War II saw the destruction of the infant industry but the latter recovered quickly during the postwar era. The number of radio stations reached 22 in just ten years after the war. From then on, radio stations rapidly proliferated throughout the country, reaching a total of 366 stations prior to the imposition of Martial Law in the Philippines in 1972.

TV broadcasting started with the initial telecast of Channel 3 in 1953. Soon after, two other broadcasting companies entered the scene: the Alto Broadcasting System (ABS) and the Chronicle Broadcasting Network (CBN), which later merged as ABS-CBN and operated Channel 2. However, growth in the 1950's was hampered by expensive advertising and the limited number of households with TV sets. In 1963, the local assembly of household TV sets resulted in the significant expansion of TV broadcasting.

With the declaration of Martial Law, radio and TV broadcasting suffered a setback. Broadcast operations of private entities were stopped. The Departments of National Defense and Public Information were empowered to prevent the use of radio and television for subversive purposes. Later, the government created regulatory bodies and restored private franchises. Despite the heavy censorship of TV programs throughout the decade-long Martial Law, the broadcast industry managed to survive.

The change in government in 1986 resulted in a more liberal government attitude towards the content of radio and TV broadcasts. Moreover, TV and radio stations which were closed throughout the Martial Law years were revived, thus increasing

the number of stations. However, the broadcast industry remains highly regulated, an aspect that will be examined in greater detail in the section on Regulatory Framework.

There are a total of 359 radio stations in the country, 68.5 per cent of which are Amplitude Modulation (AM) while 31.5 per cent are Frequency Modulation (FM) stations. A large majority of the radio stations (303) are commercial; only 56 are noncommercial. (See Table 2.)

Table 2
NUMBER OF RADIO STATIONS
BY POWER FREQUENCY AND BY TYPE OF SERVICE: 1989

	Number	Percentage
AM		
Commercial	203	
Noncommercial	43	
Sub-total	246	68.5
FM		
Commercial	100	
Noncommercial	13	
Sub-total	113	31.5
Total	359	100.0

Source: National Telecommunications Commission.

In 1988, 141 of the AM radio stations reported gross billings of ₱295.5 million while 64 of the FM stations reported billings of ₱198.0 million. (See Table 3.)

Table 3
GROSS BILLINGS OF RADIO AND TELEVISION STATIONS
BY MAJOR AREA: 1988
(In Million Pesos)

AM Radio
Base: 141 stations*

Metro Manila	65.3
Luzon, excluding Metro Manila	62.7
Visayas	87.3
Mindanao	80.2
Total	295.5

FM Radio
Base: 64 stations*

Metro Manila	117.7
Luzon, excluding Metro Manila	20.3
Visayas	39.4
Mindanao	20.6
Total	198.0

Television
Base: 18 stations*

Metro Manila	806.8
Luzon, excluding Metro Manila	0.5
Visayas	16.3
Mindanao	12.7
Total	836.4

* The number of stations which submitted their billing figures.

Source: Kapisanan ng mgaBrodkaster sa Pilipinas.

The TV broadcasting industry consists of five networks all based in Metro Manila. These are: ABS-CBN which operates Channel 2; People's Television which operates Channel 4, a government-owned network; GMA-Television Arts which operates

Channel 7; Kanlaon Broadcasting System which operates Channel 9; and Intercontinental Broadcasting Co. which operates Channel 13. These networks have relay stations located in strategic cities throughout the Philippines. The networks also operate a number of radio stations.

There are a total of 82 TV stations, 48.8 per cent of which are classified as originating stations while 51.2 per cent are classified as relay/translator stations. Fifty-two stations operate commercially while 30 stations are noncommercial. (See Table 4.) In 1988, 18 of the TV stations reported total billings of ₱836.4 million.

Table 4
NUMBER OF TELEVISION STATIONS
ORIGINATING AND RELAY/TRANSLATOR BY TYPE OF SERVICE: 1989

	Number	Percentage
Originating		
Commercial	35	
Noncommercial	5	
Sub-total	40	48.8
Relay/Translator		
Commercial	17	
Noncommercial	25	
Sub-total	42	51.2
All Stations		
Commercial	52	
Noncommercial	30	
Total	82	100.0

Source: National Telecommunications Commission.

Profiles of the major radio and TV networks are presented in Appendix 1. A list of radio and TV stations in Metro Manila is shown in Appendix 2.

Cable TV differs from radio and TV in terms of the nature of broadcast and source of revenue. In the Philippines, the cable television industry includes all facilities that receive (directly or indirectly), amplify, or improve the signals broadcast by one or more television, satellite, or radio stations, and distributes such signals (programs) by wire or cable to subscribing members. Cable TV stations may also carry originated programs. They generate revenues through subscription payments of subscribing members.

There are 13 cable TV stations serving different cities in the country. The amount of their revenues is not available. Appendix 3 contains the complete list of cable TV stations and operators.

REGULATORY FRAMEWORK

Regulatory Agencies

Three agencies are involved in the regulation of the Philippine broadcast industry: the National Telecommunications Commission, the Department of Transportation and Communication, and the Kapisanan ng mga Brodkaster sa Pilipinas, a private sector organization.

The National Telecommunications Commission (NTC) is the government body mandated to regulate the broadcast industry. It was created on July 23, 1979 by virtue of Executive Order No. 546. Its functions with regard to radio and television broadcasting are as follows:

- o issue Certificates of Public Convenience for the operation of radio and television broadcasting systems, and establish and enforce rules, regulations, standards, and specifications in all cases related to the issued certificates;

- o grant permits for the use of radio frequencies for radio and television broadcasting systems;

- o sub-allocate series of frequencies of bands to the specific services;

- o promulgate rules and regulations to encourage a larger and more effective use of radio and television broadcasting facilities;

- o supervise and inspect the operation of radio stations; and
- o undertake the examination and licensing of radio operators and the registration of radio transmitters and transceivers.

The Broadcast Services Department of the NTC is the department directly involved in carrying out the above-mentioned responsibilities.

The NTC is directly under the Department of Transportation and Communication (DOTC). The DOTC formulates general and specific policies with respect to the telecommunications industry and the broadcast industry.

The Kapisanan ng mga Brodkaster sa Pilipinas (KBP) is a self-regulating body consisting of TV and radio station-members. This trade organization was established on April 27, 1973 to formulate policies and guidelines for the operations of its members. It enforces programming and advertising rules and imposes penalties for violations.

The KBP's Standards Authority is the body tasked to resolve cases regarding violations of its Radio and Television Code. It conducts hearings for the accreditation of advertising agencies and announcers and other broadcasting personnel. It also recommends amendments to the existing policies and regulations of the KBP.

The KBP is a member of the tripartite committee, together with the NTC and the DOTC, tasked to formulate a broadcasting policy that will govern the industry. The KBP has come up with Technical Standards and Operating Requirements for broadcast stations which the NTC has adopted.

Government Policy on Ownership of Mass Media

The 1986 Philippine Constitution recognizes mass media (radio, TV, and print) as a strategic resource and stipulates specific limits on the ownership of media facilities. Section 11, Article XVI of the Constitution limits the ownership and management of mass media to Filipinos or to corporations wholly owned by Filipinos. The constitutional provision also empowers Congress to regulate or prohibit monopolies in commercial mass media, and does not allow combination in restraint of trade or unfair competition.

Section 17, Article XII of the Constitution also empowers the State to temporarily take over or direct the operation of any privately owned public utility (including mass media) in case of a national emergency or when the common good so requires.

The Constitution also prescribes that the franchise of public utilities in the Philippines be granted only for a period of 50 years and should not be exclusive in character. Also, it is granted only on condition that it be subject to amendment, alteration, or repeal by Congress when the public interest so requires.

Regulations Governing Ownership and Entry in the Broadcast Industry

Although the constitutional provision on mass media monopolies is clear, the actual implementation of this principle remains problematic. The most controversial piece of legislation concerning the broadcast industry at present is Presidential Decree 576-A, issued by then President Marcos and presumably still in effect. The decree limits the number of stations that a person or corporation may own to not more than one radio or television station in one municipality or city; or not more than five AM and five FM radio stations nationwide; or not more than five television channels in the entire country. Any person or corporation who owned more than the prescribed number of stations should have divested itself of the excess stations not later than December 31, 1981. The decree also terminated all franchises or any other form of authority to operate radio and television stations on this same date. Thereafter, the Board of Communications and the Secretary of Public Works and Communications (later the DOTC) or their successors would grant the authorizations.

The decree was issued with the clear intent of dissolving monopolies in the broadcast industry. However, it was and continues to be enforced half-heartedly. KBP and NTC sources claim that some influential sectors in the industry refuse to acknowledge the existence of this law. The issue remains unresolved, and this has caused a large degree of uncertainty in the industry.

A related issue is the Cease and Desist Order (CDO) given by the DOTC to NTC with regard to the issuance of permits for stations to operate. The CDO, issued in July 1988, ordered the NTC to stop issuing permits to nonfranchise holders. From the time of issuance of the CDO, the NTC has been granting only temporary permits and it has also stopped acting on any application for upgrading of equipment.

Recent events at NTC, capped by changes in the Commission's leadership, only underscored weaknesses in the capacity of government to implement policies in the industry and the Commission's vulnerability to powerful influences within the industry itself.

Franchise and Corporate Taxes

Pursuant to Executive Order (E.O.) No. 72, as amended, all radio and TV broadcast franchise holders are subject to tax on their gross receipts from the business covered by the law granting the franchise. All radio broadcasting stations are subject to the franchise tax at the rate of three per cent while television stations are subject to the tax at the rate of five per cent.

E.O. 72 also made all franchise grantees subject to income tax levied under Title II of the National Internal Revenue Code, as amended. A tax of 35 per cent is imposed upon the taxable income of radio and television broadcast stations during each taxable year from all sources within and outside the country.

Aside from these taxes, franchise holders are subject to the annual fixed tax of ₱2,000.

Regulations Governing Importation of Broadcast Equipment

Certain regulations govern the purchase and importation of broadcast equipment. Presidential Decree No. 1362, promulgated on March 27, 1978, allows radio and television broadcasting stations to import radio or television equipment, spare parts, and allied technical and program materials provided that these will be for their exclusive use. Equipment that is not locally produced or available in sufficient quantity and comparable quality and price may be imported and released from customs custody without prepayment of customs duties and compensating tax. Department Order No. 16-78 provides the rules and regulations for the implementation of this decree.

Section 4 of Memorandum Circular No. 07-4-81 (MC 06-2-81) requires radio and television stations to secure authorization from the NTC for the importation of equipment necessary for their operation.

Tariff and Import Taxes on Importation of Broadcast Equipment

All importations of radio and television broadcast equipment are subject to tariff duties ranging from 30 per cent to 50 per cent of the equipment's dutiable value depending on their tariff classification. The dutiable value of an imported commodity is the:

- o Home Consumption Value (HCV) in the country of exportation plus insurance plus freight; or if the value cannot be ascertained,
- o HCV in the country of manufacture or origin if it is not the country of exportation, or in a third country with the same stage of economic development as the country of exportation, plus insurance plus freight; or if the value cannot be ascertained,
- o the invoice value plus insurance plus freight, if found reasonable.

The HCV of an imported commodity is its value in the country of origin at the time of exportation to the Philippines including the cost of all packaging materials and costs, charges, and expenses incidental to its shipment. If insurance cost is included in the shipment, 10 per cent of the Cost-Insurance-Freight (CIF) value is deducted to arrive at the HCV.

Table 5 shows the rates of duty levied on all imported radio and television broadcast equipment as determined by the Philippine Tariff Commission.

Aside from the tariff duty, a five per cent ad valorem duty is also levied on an imported commodity, by virtue of Executive Order 988. This duty is also based on the commodity's dutiable value.

All imported commodities are also subject to the 10 per cent value added tax (VAT) which replaced all percentage taxes that were previously imposed (Executive Order No. 273). The VAT is based on the total value used by the Bureau of Customs in determining tariff and customs duties, plus customs duties and other charges prior to the release of imported goods from the customs custody. Other fees and charges include bank charges, import processing fee of ₱ 250, wharfage fees, arrastre charges, storage fees, berthing charges, and tonnage dues. The VAT is payable prior to the withdrawal of the commodity from customs custody.

Table 5
TARIFF RATES FOR BROADCAST EQUIPMENT

Equipment	Rate of Duty
Microphones and stands therefor; audio-frequency electric amplifiers; electric sound amplifier sets	30%
Turntables (record decks), record players, and other sound reproducing apparatus	50%
Transmission apparatus for radio broadcasting or television	50%
Television cameras	30%
Reception apparatus for radio broadcasting	50%

Source: Harmonized Commodity Description and Coding System of the Philippines (1988).

CABLE TV AND BROADCAST EQUIPMENT MARKET

DEMAND FOR IMPORTED EQUIPMENT

Cable TV and broadcast equipment imported by the Philippines include transmitting equipment, video equipment, audio equipment, recording equipment, specially fabricated accessories for studio equipment, lighting equipment, and drop cables used in cable TV. The demand for imported lighting equipment and drop cables is discussed separately because of the substantial demand for these items by other end users.

Transmitting, Video, Audio, and Recording Equipment and Specially Fabricated Accessories for Studio Equipment

Foreign Trade Statistics of the National Statistics Office show that in 1988, Philippine imports of transmitting, video, audio, and recording equipment as well as parts and accessories specially fabricated for TV studio equipment reached CIF US$5.5 million, up by 77.6 per cent from the 1987 level. Of the 1988 total value of imports, 29.4 per cent was accounted for by transmitting equipment, 27.2 per cent by video equipment, 16.7 per cent by audio equipment, 10.7 per cent by recording equipment, and 16.0 per cent by parts and accessories specially fabricated for TV studio equipment. (See Table 6.)

In terms of volume, the Philippines imported over the period 1987-88 an annual average of 14,412 pieces of transmitting equipment; 16,488 pieces of video equipment; 187,834 pieces of audio equipment; 386 pieces of recording equipment; and 237,558 parts and accessories specially fabricated for TV studio equipment.

The specific equipment types imported in significant quantities were transmitters-receivers, TV camera parts, microphones, microphone parts, audio-frequency amplifiers, turntables, and TV studio parts and accessories. Import volumes varied significantly from year to year, with certain items imported in large quantities one year and in small quantities the next, a trend indicative of most capital imports. Microphone stands, record players or changers, and parts and accessories specially fabricated for TV studio equipment registered the highest growth rates in 1988.

TABLE 6
VOLUME AND VALUE OF IMPORTED BROADCAST EQUIPMENT
AND PARTS BY TYPE OF EQUIPMENT, 1987-88

Equipment	Quantity (pieces)				CIF Value (US$)				% Share of total value		
	1987	1988	Total	Growth Rate (%)	1987	1988	Total	Growth Rate (%)	1987	1988	Total
Transmitting Equipment											
Radio broadcasting transmitters	1	2	3	100.0	20,255	170,835	191,090	504.6	0.91	3.11	2.32
TV transmitters	0	1	1		0	89,774	89,774				
Transmitters-Receivers	25,925	2,878	28,803	-88.9	1,306,530	1,353,091	2,661,621	3.6	42.35	24.65	31.03
Radio transmitting tubes	16	0	16	-100.0	16,195	0	16,405	-100.0	0.53	0.00	0.19
Subtotal	25,942	2,881	28,823	-88.9	1,353,190	1,613,700	2,966,890	19.3	43.79	29.49	34.59
Video Equipment											
TV monitors (colored and monochrome)	1,038	759	1,795	-26.7	143,244	126,096	269,340	-12.0	4.64	2.30	3.14
TV cameras	487	400	887	-17.9	419,070	407,619	826,689	-2.7	13.58	7.43	9.64
TV camera parts	7,929	22,365	30,294	182.1	189,175	957,396	1,146,571	406.1	6.12	17.44	13.37
Subtotal	9,452	23,524	32,976	148.9	751,489	1,491,111	2,242,600	98.4	24.32	27.17	26.14
Audio Equipment											
Microphones	79,131	185,144	264,275	134.0	64,879	370,841	435,520	473.4	2.09	5.76	5.08
Microphone parts	29,744	49,511	79,255	66.5	90,650	300,618	391,068	230.8	2.93	5.58	4.63
Microphone stands	84	6,523	6,607	7,665.5	184	7,269	7,453	3,850.5	0.01	0.13	0.09
Audio-frequency amplifiers	5,427	8,773	14,200	61.7	216,784	173,055	389,819	(20.2)	7.02	3.15	4.54
Record players or changers	50	100	150	100.0	500	13,750	14,250	2,650.0	0.02	0.25	0.17
Turntables	3,819	7,383	11,182	92.8	30,349	45,260	75,609	49.1	0.98	0.82	0.88
Subtotal	118,255	257,414	375,669	117.7	403,120	910,593	1,319,719	127.4	13.05	16.70	15.38
Recording Equipment											
TV image and sound recorders and reproducers (magnetic)	93	678	771	629.0	505,105	586,636	1,091,741	16.1	16.35	10.69	12.73
Parts and accessories specially fabricated for TV studio equipment	584	38,292	38,876	6,457.4	77,041	880,494	957,535	1,042.9	2.49	16.04	11.16
Total	154,326	320,789	475,115	107.9	3,089,951	5,488,534	8,578,485	77.6	100.00	100.00	100.00

Source: Foreign Trade Statistics, National Statistics Office.

Lighting Equipment and Drop Cables

Available import data on lighting equipment and drop cables do not segregate the purchases of the broadcast industry and those of other end users. For this reason, the following discussion only analyzes trends in total imports for the two items.

In 1988, the Philippines imported a total of 15.9 million pieces of lighting equipment and accessories, down by 27.1 per cent from the 1987 import volume due to reductions in the importation of searchlights and spotlights and fluorescent lamp bases and fixtures. However, import value rose by 25.2 per cent to reach US$3.2 million in 1988, on account of the higher average unit values of special purpose bulbs and searchlights and spotlights. (See Table 7.)

The lighting equipment and accessories imported in significant quantities are: reflector lamp bulbs, special purpose bulbs, discharge lamps, and lamp and lighting fittings. The imports, however, cover the requirements of the total economy. Specific items purchased in large quantities by the broadcast industry cannot be determined from the trade data.

The broadcast industry, specially cable television, uses drop cables. However, the imports of the industry alone cannot be determined from foreign trade statistics which lump together the imports of co-axial cables, co-axial conductors, communication cables, electric conductors, optical fiber cables, and insulated bars and strips. These items are also used in significant quantities by other activities in the telecommunications sector. In any case, imports for these items totaled US$22.1 million in 1988, up by 19.4 per cent from the 1987 level on account of the higher average unit value. (See Table 8.)

Prices and Technical Specifications

The unit prices and technical specifications of selected imported broadcast equipment are shown in Table 9 and Table 10, respectively. Appendix 4 lists down the equipment brands used by the major broadcasting networks.

TABLE 7
VOLUME AND VALUE OF IMPORTED LIGHTING EQUIPMENT AND ACCESSORIES: 1987-88

Equipment	Quantity (pieces)			CIF Value (US$)		
	1987	1988	Total	1987	1988	Total
Reflector lamp bulbs	607,294	618,523	1,225,817	326,862	442,270	769,132
Special purpose bulbs	19,156,199	12,501,723	31,657,922	1,036,623	1,530,735	2,567,358
Mercury vapor lamps	150,454	165,450	315,904	354,199	201,888	556,087
Sodium vapor lamps	3,412	4,064	7,476	33,380	32,767	66,147
Discharge lamps	1,324,843	1,969,890	3,294,733	371,184	259,205	630,389
Arc lamps	8		8	7,812		7,812
Reflector arc lamps	0	31,000	31,000		38,243	38,243
Searchlights and spotlights	142,204	20,023	162,227	33,518	107,253	140,771
Fluorescent lamp base and lighting reflectors	5,742	887	6,629	2,360	1,301	3,551
Fluorescent lamp fixtures, parts, fittings	20,744	1,052	21,796	8,632	4,383	11,015
Lamps and lighting fittings	370,031	506,965	876,996	373,753	545,544	919,297
Parts of lamps and lighting fittings	45,463	101,646	147,109	30,348	61,626	91,974
TOTAL	21,826,394	15,921,223	37,747,617	2,576,649	3,225,217	5,801,866

Source: Foreign Trade Statistics, National Statistics Office.

Table 8
VOLUME AND VALUE OF IMPORTED CO-AXIAL CABLES AND OTHER CO-AXIAL CONDUCTORS, COMMUNICATION CABLES, ELECTRIC CONDUCTORS, OPTICAL FIBER CABLES, AND INSULATED BARS AND STRIPS: 1987-1988

	QUANTITY (PIECES)	CIF VALUE (US$)
1987	5,223,724	18,508,073
1988	4,384,646	22,091,324
TOTAL	9,608,370	40,599,397
% Growth	(16.1%)	19.4%

Source: Foreign Trade Statistics,National Statistics Office.

Table 9
UNIT PRICES OF IMPORTED BROADCAST EQUIPMENT
(AS OF NOVEMBER 1989)

Equipment & Description	Brand	Local Selling Price (US$)
Transmitters (FM) 10 KW	TTC-Wilkenson	44,290.00
	Continental	37,995.00
	International Teletronics	32,250.00
Transmitters (AM) 10 KW	TTC-Wilkenson	42,275.00
	Continental	57,430.00
Audio processing equipment	CRL	6,250.00
	Orban	4,995.00
	TFT	5,000.00
Open reel tape recorder/player	Tascam M-32	1,570.00
	Revox PR-99	2,995.00
Video tape recorder/player	Sony VO 5800HU-matic	6,550.00
Video cassette recorder/player	Panasonic VHS	1,895.00
	JVC VHS	1,835.00
	Sony VP-5600	2,395.00
Color cameras (Portable Professional)	Hitachi	12,900.00
	JVC	6,150.00
	Sharp	7,200.00
	Sony	6,200.00
Color cameras (studio type)	Hitachi	49,400.00
	Sony	51,100.00
Consoles 8 faders	Broadcast Electronics	4,995.00
	Auditronics, Inc.	5,300.00
Spotlights and floodlights	Baldwell-McAlister	120.00
Drop cables (per 1,000 ft.) *	Avesco RG59	177.27

* The equivalent price in US$ was computed from given price of P3,900/1,000 ft. and an exchange rate of P22:$1.

Source: Interviews.

TABLE 10
TECHNICAL SPECIFICATIONS OF SELECTED IMPORTED BROADCAST EQUIPMENT: 1987-88

Equipment	Model
TV monitors	OVM-9E
VHF/FM mobile transceivers	25 watts 138-174 MHz
Medium wave transmitters	MWD-10B
Transmitter (complete with accessories)	FM-25 K 25,000 watt
Camera cables	50' with connectors
Font boards	3M D500
Vinten adjustable wedge extender	n.a.
Portable transceiver	HX150 VHF/FM 25 6CH
FM broadcast transmitter	QEI FMQ-1000
Stereo modulation monitor	TVM-200, 220V/60 Hz

Source: Business Statistics Monitor.

Factors Affecting Demand

The expected demand for cable TV and broadcast equipment over the next few years is hard to predict in view of the uncertainties in the telecommunications sector arising from policy and implementation issues which have yet to be resolved. The Department of Transportation and Communication is still in the process of drawing up a national telecommunications policy. The National Telecommunications Commission's power to regulate has been attenuated by differences with the DOTC as well as the pressures exerted by influential parties in the industry. The Kapisanan ng mga Brodkaster sa Pilipinas itself has not been able to enlist the membership of all radio and TV stations, and some member-stations themselves often defy association rules and regulations.

The demand for broadcast equipment in the short term is likely to be determined by the following factors: (1) expansion plans and upgrading of equipment of existing stations, (2) NTC action on broadcast applications, (3) overall government policy on telecommunications, (4) replacement requirements by existing stations, and (5) growth of other activities using video, audio, and lighting equipment.

Expansion programs of existing stations, specially the major networks, can be a major source of import demand in discrete broadcast equipment. TV broadcasting in the Philippines has reached a high level of competition, necessitating upgrading of technology and expansion of operations. ABS-CBN's Channel 2 and GMA-Television Arts' Channel 7 recently undertook major expansion programs in this direction. However, the other major networks -- IBC Channel 13, RPN Channel 9, and the cable TV station Sining Makulay -- are facing ownership problems which have stymied their equipment rehabilitation and expansion programs. These stations were sequestered by the government in 1986 through the Presidential Commission on Good Government, although they continue to operate.

Importation of discrete broadcast equipment is likely to increase at a substantial rate only when new stations are allowed to operate. Since 1986, the NTC has not issued permanent permits to operate to new radio and TV stations. At present, there are 47 applications for new radio and TV stations pending with NTC. Of this number, 21 are for radio stations, 11 are for TV, and 15 are for cable TV. Among the important applications are those for the opening of Channels 5 and 11 which were major TV stations before Martial Law in 1972.

Technology is also a critical determinant of future demand. In the Philippines, the issue of technology has become inextricably linked with media power and has therefore achieved political color. A classic case is the plan of ABS-CBN to use the facilities of the Indonesian satellite Palapa for nationwide broadcasting. This received strong objection from Congress as well as certain segments of the broadcast industry as it was viewed as conferring ABS-CBN a "mega-franchise", that is, a monopoly status. The resolution of the issue depends upon the telecommunications policy framework that the DOTC is preparing.

Import statistics for the years 1987 and 1988 show relatively high growth rates in the demand for broadcast equipment parts and accessories. Major television and radio networks such as ABS-CBN, IBC, RPN, and GMA acquired most of their equipment when they started operations. Even if they do not make any major investment in equipment, they nevertheless regularly import parts and accessories. In the case of cable TV, stations regularly purchase drop cables.

Major sources of demand that are outside the radio and TV industry are disco and other entertainment establishments using the latest in video, audio, and lighting technology. These types of businesses continue to proliferate in the Philippines, although their equipment requirements cannot be established in the absence of data on their number and scale.

The local distributors of broadcast equipment foresee a 20-30 per cent annual increase in demand over the next few years, notwithstanding current policy constraints. They attribute the increase to the continued positive economic growth which necessitates wider use of media and media facilities and the entry of new products especially from the U.S., Japan, and Taiwan.

SUPPLY

Local Production

Sources of supply of cable television and broadcast equipment and accessories include both imports and local production. The volume of domestic production, however, is still small and the product range is limited to radio transmitters (AM and FM) and studio equipment. These items are fabricated using imported parts and in accordance with the specifications of the client. The major companies engaged in fabricating these types of equipment are Empire Communications, Galang Industries, and Ermita Electronics.

Interviews with the major local fabricators revealed that quite a number of users accept these locally fabricated and assembled broadcast equipment because they are cheaper than imported equipment and are readily available. Radio and TV stations contract fabricators to supply equipment according to given specifications and budget. Some fabricators already have basic equipment frames which can be modified according to the buyer's preferences. The assembly period ranges from one month to four months depending on the type of equipment.

Local fabricators see good market prospects. The demand for locally fabricated equipment is expected to continue as a result of product quality improvement and the overall improvement in the economic environment. The use of locally assembled equipment is notable in the smaller radio and TV stations.

In addition to the firms catering to the local market, there are local export-oriented firms which fabricate a range of broadcast equipment. Philippine exports of broadcast equipment and parts now include transmitters-receivers, relays, TV monitors, TV cameras and parts, audio-frequency amplifiers,

microphone parts, record players or changers, and TV image and sound recorders and reproducers. The FOB value of these exports have increased dramatically over the years. In 1988, exports of these items totaled FOB US$19.9 million. Exports went mostly to Hong Kong, Japan, and the U.S. (See Table 11.)

Table 11
VALUE OF PHILIPPINE EXPORTS OF BROADCAST EQUIPMENT: 1987-1988
(FOB US$)

EQUIPMENT	VALUE		
	1987	1988	TOTAL
Transmitting Equipment			
Transmitters-receivers	1,551	15,022,436	15,023,987
Relays		169	169
TV Video Equipment			
Television monitors	29,689	236,257	265,946
Television cameras	17,370	1,667,099	1,684,469
Television camera parts		11,655	11,655
Subtotal	47,059	1,915,011	1,962,070
Audio Equipment			
Audio-frequency amplifiers	3,897	38,007	41,904
Microphone parts	873,327	2,820,650	3,693,977
Record players or changers		37,984	37,984
Subtotal	877,224	2,896,641	3,773,865
Television Image & Sound Recorders and Reproducers		22,500	22,500
Total	925,834	19,856,757	20,782,591

Source: Foreign Trade Statistics, National Statistics Office.

Imports

The Philippines relies mostly on imports for its supply of cable TV and broadcast equipment. Table 12 shows the aggregate value of Philippine imports of these items in 1987 and 1988, the country suppliers, and their corresponding market shares(reckoned in terms of the originating country's share of the total 1987 and 1988 Philippine imports). The details are shown in Appendix 5.

Overall, Japan and the U.S. dominate in the export of cable television and broadcast and accessory equipment to the Philippines, with Canada, the U.K., Taiwan, and South Korea enjoying significant market shares in specific products.

For transmitting equipment, the U.S. provides 100 per cent of the Philippine demand for TV transmitters and radio transmitting tubes. It is also an important source of transmitters-receivers (57.2 per cent) and radio broadcasting transmitters (36.8 per cent). Canada leads in the export of radio broadcasting transmitters to the Philippines, capturing 63.2 per cent of the market.

For video equipment, the market is again dominated by the U.S. and Japan, with Japan having almost a monopoly of TV camera parts (77.3 per cent). Minor sources of video equipment include Taiwan (10.7 per cent share in TV monitors), West Germany (28.6 per cent share in TV cameras), and Hong Kong (14.8 per cent share in TV camera parts).

For audio equipment, Taiwan has a strong market presence, being the leading source of microphones and microphone stands and an important seller of microphone parts. However, the major items in the audio market are almost monopolized by Japan (record players or changers) and South Korea (turntables).

Japan and the U.S. also compete in the other items in the Philippine cable television and broadcast equipment market. Japan leads in the sale of parts and accessories fabricated for TV equipment (76.4 per cent) and insulated cables (30.0 per cent). On the other hand, the U.S. leads in the market for TV image and sound recorders (59.4 per cent). They have an almost equal share in the lighting equipment market (over 17 per cent), although Taiwan has an edge over the two countries in this item.

Table 12
IMPORT VALUE AND COUNTRY SUPPLIERS OF
CABLE TV AND BROADCAST EQUIPMENT BY TYPE
1987-1988

Equipment	CIF Import Value (US$) Total 1987 & 1988	CIF Import Value (US$) Average 1987-1988	Major Suppliers * Country	Major Suppliers * % Market Share	Minor Suppliers ** Country	Minor Suppliers ** % Market Share
Transmitting Equipment						
Radio broadcasting equipment	199,090	99,545	Canada	63.2		
			U.S.	36.8		
TV transmitters	89,774	44,887	U.S.	100.0		
Transmitters-receivers	2,661,621	1,330,811	U.S.	57.2	Hong Kong	2.7
			U.K.	33.6	Others	6.5
Transmitting tubes	16,405	8,203	U.S.	100.0		
Video Equipment						
TV monitors	269,340	134,670	U.S.	45.6	Taiwan	10.7
			Japan	30.8	Others	12.9
TV cameras	826,689	413,345	U.S.	37.5	W. Germany	28.6
					Japan	26.4
					Others	7.5
TV camera parts	1,146,571	573,286	Japan	77.3	Hong Kong	14.8
					U.S.	7.6
					Others	0.3

Equipment	CIF Import Value (US$)		Major Suppliers *		Minor Suppliers **	
	Total 1987 & 1988	Average 1987-1988	Country	% Market Share	Country	% Market Share
Audio Equipment						
Microphones	435,520	217,760	Taiwan	72.4	Japan	19.5
					U.S.	4.6
					Others	3.5
Microphone parts	397,068	198,534	Japan	80.0	Taiwan	19.8
					Others	0.2
Microphone stands	7,453	3,727	Taiwan	49.8	U.S.	26.6
					Japan	23.5
					Others	0.1
Audio-frequency amplifiers	389,819	194,910	Japan	40.4	U.S.	20.1
					Hong Kong	8.9
					Norway	6.9
					Others	23.7
Record players or changers	14,250	7,125	Japan	96.5	Hong Kong	3.5
Turntables	75,609	37,805	S. Korea	92.1	Taiwan	4.8
					Norway	3.1
Recording Equipment						
TV image and sound recorders	1,091,741	545,871	U.S.	59.4	Japan	23.0
					Hong Kong	12.8
					Others	4.8
Parts and accessories specially fabricated for TV equipment	957,535	478,768	Japan	76.4	U.S.	23.6
Insulated Cables	40,599,897	20,299,949	Japan	30.0	Others	11.1
			U.S.	29.7		
			Taiwan	29.2		
Lighting Equipment	5,801,666	2,900,833			Taiwan	21.1
					Japan	17.8
					U.S.	17.6
					Others	43.5

* Market share at least 30% of total.
** Market share less than 30% of total.

Source: Foreign Trade Statistics, National Statistics Office.

The sources of broadcast equipment in the Philippines are not likely to change drastically over the next few years. Nevertheless, there are indications of the growing importance of other countries aside from Japan and the U.S. as suppliers of equipment and parts. Already, the exports of the newly industrialized countries of Taiwan, South Korea, and Hong Kong are considerable. A closer examination of the trade statistics also reveals imports originating from diverse country sources including Canada, the U.K., West Germany, and Norway.

Sales Practices of Local Distributors

Most of the broadcast equipment from abroad is marketed through local distributors or sales agents. Only the large radio and television networks are involved in direct importations from foreign suppliers.

A list of 12 major local distributors with their principal activities is shown in Table 13. Their corporate profiles including office address, products, services, and brands are presented in Appendix 6.

Table 13
MAJOR DISTRIBUTORS OF BROADCAST EQUIPMENT IN THE PHILIPPINES AND THEIR PRINCIPAL ACTIVITIES

Distributors	Activities
Ermita Electronics, Inc.	Fabricator & Distributor
Empire Communications, Inc.	Fabricator & Distributor
Electro-Systems Industries Corp.	Distributor
Electro Pacific Corp.	Distributor
Solid Industries, Inc.	Manufacturer & Distributor
Marcom Machinery Sales, Inc.	Manufacturer & Distributor
Rocis, Inc.	Distributor, Wholesaler & Retailer
Maschinen and Technik, Inc.	Distributor
Adtronics, Inc.	Distributor
Europhil Industries Corp.	Manufacturer

Source: Interviews.

Local distributors can opt to either sell a range of products and brands or tie up as exclusive distributors of a foreign company. The requirements for exclusive distributorship vary but the more common ones include submission to the foreign supplier of the following:

- o the distributor's sales performance for the past year and forecast for the following year(s);
- o the estimated volume of equipment that it will buy from the foreign supplier;
- o the distributor's net income; and
- o the distributor's proposed marketing program.

Generally, local distributors make a profit through markups on equipment cost or from commissions or discounts from foreign suppliers. Empire Communications usually targets a 25 per cent markup on the cost of equipment. Rocis Inc. receives a two per cent commission based on the cost of equipment sold. Ermita Electronics generates income chiefly from supplier discounts. (See Table 14.)

The distributorship arrangement spells out whether the local distributor is granted a commission or not; without such commission, the distributor sets a price markup. Distributors who sell on commission basis hire account executives while those who have markups sell directly to end users.

Local agents designated as exclusive distributors enjoy privileges from the foreign supplier including sales commissions and discounts and travel benefits arising from the promotional activities of the foreign supplier.

The terms of payment granted to buyers vary among distributors. Electro Systems requires cash on delivery for imported equipment; for locally fabricated equipment, it requires a 50 per cent downpayment and progress billings. Empire Communications offers a seven-day credit or installment. For Ermita Electronics, the terms of payment depend on negotiations with the buyer.

Generally, local distributors do not maintain an inventory of major equipment because of the high carrying cost. Upon receipt of an order, they inform their suppliers abroad and within two to three months, the equipment is made available to the buyer. Smaller items such as microphones, tubes, and cables, however, are readily available on stock.

The importation of equipment involves the opening of Letters of Credit (L/C). In most cases, distributors assume the responsibility of opening the L/C upon placement of an order for equipment. There are some cases, however, when this is done by the buyer, with the distributor only facilitating the order.

Table 14
SALES PRACTICES OF LOCAL BROADCAST EQUIPMENT DISTRIBUTORS

I. Distribution Channels	
Electro-Systems	o direct selling to end users
Empire Communications	o direct selling to end users
Ermita Electronics	o through account executives
Rocis, Inc.	o direct selling to end users
II. Markups and Commissions	
Electro-Systems	o no fixed markup
Empire Communications	o markup (targetted at 25 per cent of the value of equipment)
Ermita Electronics	o discounts from the supplier
Rocis, Inc.	o commission from supplier (two per cent of equipment value)
III. Terms of Payment of Buyers	
Electro-Systems	o cash on delivery for imported equipment, or 50 per cent downpayment with progress billings for fabricated equipment
Empire Communications	o seven-days credit; installment
Ermita Electronics	o depends on negotiation with buyer
Rocis, Inc.	o cash; installment basis depending on cost of equipment
IV. Product Inventory	
Electro-Systems	o only for consumer products
Empire Communications	o only for tubes, microphones, and other similar equipment; not for bigger equipment
Ermita Electronics	o request for equipment or fabricate on job order basis
Rocis, Inc.	o equipment requested upon order

Source: Interviews.

APPENDICES

PROFILE OF MAJOR RADIO AND TELEVISION NETWORKS

ABS-CBN BROADCASTING CORPORATION

Business address : Mother Ignacia Avenue
Quezon City

Telephone numbers : 673-20-45
921-19-98
922-68-48

Stations	Power	Frequency	Location	Tel. Nos.
Channel 2	40 KW	54-60 mHz	Quezon City	921-19-98, 922-68-48
DZMN (AM)	50 KW	630 kHz	-do-	-do-
DWKO (FM)	10 KW	101.9 mHz	-do-	-do-

RADIO PHILIPPINES NETWORK

Business address : Broadcast City, Capitol Hills
Quezon City

Telephone numbers : 97-76-61 to 65
97-73-77
97-74-33

Stations	Power	Frequency	Location	Tel. Nos.
DZTG-AM	5 KW	612 kHz	Tuguegarao, Cagayan	1256
DZRL-AM	1 KW	639 kHz	Ilocos Norte	
DZBS-AM	1 KW	1368 kHz	Baguio City	6958, 4061
DZKI-AM	1 KW	1332 kHz	Iriga City	422
DYKB-AM	5 KW	1404 kHz	Bacolod City	29400
DYKW-AM	5 KW	936 kHz	Negros Occidental	207
DXKS-AM	1 KW	1080 kHz	Surigao del Norte	421
DXKD-AM	1 KW	1053 kHz	Dipolog City	3406
DXKO-AM	1 KW	1368 kHz	Cagayan de Oro	3896
DXKP-AM	10 KW	1377 kHz	Pagadian City	511
DXXX-AM	10 KW	1088 kHz	Zamboanga City	7480
DXKT-AM	5 KW	1071 kHz	Davao City	77303
DXDX-AM	1 KW	693 kHz	General Santos	5048
DYKC-AM	5 KW	675 kHz	Mandaue City	82409

Stations	Power	Frequency	Location	Tel. Nos.
TV-2	10 KW	67.25 kHz	Davao City	74993
TV-5	5 KW	--	Cagayan de Oro	3896
TV-5	5 KW		Zamboanga del Norte	7480
TV-8	5 KW	181.25 mHz	Bacolod City	27813
TV-9	5 KW	187.25 mHz	Cebu City	82049
TV-10	5 KW	195.25 mHz	Iriga City	422
TV-9	25 KW		Metro Manila	97-59-63

INTERCONTINENTAL BROADCASTING CORPORATION

Business address : Broadcast City, Capitol Hills
Quezon City

Telephone numbers : 97-76-61 to 70
97-61-37
96-41-19

Stations	Power	Frequency	Location	Tel. Nos.
DWKB-FM	2.5 KW	89.1 mHz	Quezon City	97-76-61
DWLW-AM	5 KW	675 kHz	Laoag City	220-151
DYBQ-AM	10 KW	981 kHz	Iloilo City	
DYJJ-AM	1 KW	1286 kHz	Roxas City	210-814
DYRG-AM	1 KW	1250 kHz	Kalibo, Aklan	30-87
DYSJ-AM	2.5 KW	1080 kHz	Antique	
TV-13	3.5 KW	215.75 kHz A	Quezon City	97-61-37
TV-13	5 KW	211.25 kHz	Davao City	7-16-14
TV-13		215.75 kHz A	Laoag City	22-11-59
TV-13	12.5	211.25 kHz 215.75 kHz A 205.25 kHz A	Cebu City	8-40-16
TV-12	6 KW	209.75 kHz	Iloilo City	7-12-56
TV-2	500 Watts		Bacolod City	7-12-56
TV-10	500 Watts		Cagayan de Oro	
TV-2	5 Watts		Roxas City	
TV-6	100 Watts		Baguio City	
TV-7	10 Watts		Tacloban City	

GMA RADIO-TELEVISION ARTS

Business address : RBS Building, E. delos Santos Avenue
Diliman, Quezon City

Telephone numbers : 99-50-41 to 49

Stations	Power	Frequency	Location	Tel. No.
Channel 7	30 KW	174-180 mHz	Quezon City	99-50-41 to 49
DWMJ-TV	25 KW	192-198 mHz	Benguet	-do-
Channel 4 (DWER-TV)	40 Watts	66-72 mHz	Ilocos Norte	-do-
Channel 5 (DZVG-TV)	100 Watts	76-82 mHz	Mt. Province	-do-
Channel 5 (D-5-ZG)	0.04 KW		Zambales	-do-
DWNS-TV	0.2 KW	192-198 mHz	Zambales	-do-
Channel 12 (DWAI-TV)	1		Batangas	-do-
Channel 5 (D-5-ZA)	0.005 KW		Marinduque	-do-
Channel 12 (DWLA-TV)	1 KW		Legaspi City	-do-
D-8-ZA	0.02 KW	180-186 mHz	Tabaco, Albay	-do-
Channel 12 (D-6-ZA)	0.0005KW	204-210 mHz	Catanduanes	-do-
Channel 7 (DYSS-TV)	5 KW	174-180 mHz	Cebu City	7-27-40
Channel 12 (DXDZ-TV)	0.3 KW	204-210 mHz	Cagayan de Oro	38-10

Stations	Power	Frequency	Location	Tel. No.
Channel 8 (D-12-XB)	0.005KW	180-186 mHz	Bukidnon	-do-
Channel 12 (D-8-XN)	0.02 KW	204-210 mHz	Bukidnon	-do-
Channel 2 (DXFV-TV)	1 KW	60-66 mHz	Lanao del Norte	-do-
DWLS-FM	10 KW	97.1 mHz	Quezon City	99-50-41 to 49
DZBB-AM	10 KW	594 kHz	Metro Manila	-do-
DYSS-AM	5 KW	999 kHz	Cebu City	-do-
DYRT-FM	15 KW	99.5 khz	Cebu City	7-27-40
DWDJ-FM	2.5 KW	93.5 mHz	Cagayan	446-1689
DYXX-AM	1 KW	1323 kHz	Iloilo City	7-74-13
Channel 6 (DYXX-TV)	1 KW	80-88 mHz	Iloilo City	-do-

RADIO MINDANAO NETWORK, INCORPORATED

Business address : Suite 402-403 State Condominium 1
Salcedo Street, Legaspi Village
Makati, Metro Manila

Telephone nos. : 89-89-78/818-65-83
86-16-66/87-68-43
86-12-20/87-90-24
87-64-31/85-82-68

Stations	Power	Frequency	Location	Tel. No.
DZXL-AM	10 KW	558 kHz	Metro Manila	49-48-08
DYHP-AM	10 KW	612 kHz	Cebu City	7-60-30
DXCC-AM	10 KW	828 kHz	Cagayan de Oro	34-92
DXDC-AM	10 KW	621 kHz	Davao City	7-45-71
DYHB-AM	5 KW	747 kHz	Bacolod City	2-23-32
DYVR-AM	2.5KW	1377kHz	Roxas City	836
DXBC-AM	5 KW	693 kHz	Butuan City	23-85
DXIC-AM	5 KW	711 kHz	Iligan City	2-09-96
DYRI-AM	5 KW	1107kHz	Iloilo City	7-88-46
DXKR-AM	639KW	603 kHz	South Cotabato	495/496
DXDR-AM	5 KW	981 kHz	Dipolog City	309
DXPR-AM	5 KW	603 kHz	Pagadian City	186
DWHB-AM	1 KW	612 kHz	Baguio City	25-32/22-29
DYKR-AM	1 KW	1485kHz	Kalibo; Aklan	31-40

Stations	Power	Frequency	Location	Tel. No.
DXRS-AM	1 KW	1206 kHz	Surigao City	698
DXHP-AM	1 KW	999 khz	Surigao del Sur	
DYCC-AM	1 KW	936 kHz	Calbayog City	
DYXL-FM	3.5KW	93.9 kHz	Cebu City	7-60-30
DWKC-FM	10 KW	93.9 kHz	Metro Manila	70-34-10
DXVM-FM	3.5KW	99.1 kHz	Cagayan de Oro	34-92/39-22
DWHB-FM	1 KW	103.9kHz	Baguio City	25-32/35-77
DYVR-FM	1 KW	93.9 kHz	Roxas City	836
DXXL-FM	7.5KW	93.9 kHz	Davao City	7-45-71
DYIC-FM	1 KW	95.1 kHz	Iloilo City	7-88-46

Source: 1987 Media Directory, National Press Club of the Philippines.

LIST OF TELEVISION AND RADIO STATIONS IN THE NATIONAL CAPITAL REGION
(As of March 1989)

AM Radio Stations	Callsign	Frequency (kHz)	Power (KW)	Station Location
ABS-CBN Broadcasting Corporation	DZMM	630	50	Bohol Avenue, Quezon City
Bureau of Broadcasts	DZSR	738	10	Media Center, Bohol Avenue, Quezon City
Bureau of Broadcasts	DZRP	1170	10	Media Center, Bohol Avenue, Quezon City
Bureau of Broadcasts	DZRM	1278	10	Media Center, Bohol Avenue, Quezon City
Capitol Broadcasting Center	DZME	1530	10	317 Roosevelt Avenue, SFDM, Quezon City
Christian Broadcasting Service	DZEM	954	10	Maligaya Building 2, EDSA, Quezon City
Crusaders Broadcasting System	DWAD	1098	10	209 E. dela Paz Street, Mandaluyong, MM
Delta Broadcasting System	DWXI	1314	10	San Sebastian Street, Bo. Sto. Nino, Paranaque, MM
Eagle Broadcasting Corporation	DZEC	1062	10	Maligaya Building 2, EDSA, Quezon City
Far East Broadcasting Company	DZAS	702	40	FEBC Compound Karuhatan, Valenzuela, MM
FBS Radio Network, Inc.	DWBL	1242	10	Philcomcen Building, Ortigas Avenue, Pasig, MM
GMA Radio/TV Arts	DZBB	594	10	Panghulo, Malabon, MM
Hypersonic Broadcasting Center	DZAM	1026	10	Jacinta Building, Pasay Road, Makati, MM
Intercontinental Broadcasting Corporation	DWAN	1206	10	Broadcast City, Quezon City
Nabuhay Broadcasting System	DZXO	1350	10	9th Floor, Combank Building, Ayala Avenue, Makati, MM
Manila Broadcasting Company	DZRH	666	25	Bo. Malanday, Valenzuela, MM
Mareco Broadcasting Network	DWOO	774	10	131 Del Monte, Quezon City
Department of National Defense	DZAF	1134	10	Camp Aguinaldo, Quezon City
Philcomm Broadcasting Corporation	DWIZ	882	10	46 Aguilar Street, Project 7, Quezon City
Philippine Radio Educational & Information Center (RADIO VERITAS)	DWRV	846	50	Buick Street, Fairview, Quezon City
Radio Mindanao Network	DZXL	558	10	15th Floor, Philcomcen Building, Pasig, MM
Radio Station DZHH	DZHH	1566	10	Nichols Air Base, Pasay City
Radio Station DZUP	DZUP	1566	1	University of the Philippines, Diliman, Quezon City
Rajah Broadcasting Network, Inc.	DZRJ	810	10	J&T Building, Magsaysay Avenue, Sta. Mesa, MM
Trans-Radio Broadcasting Corporation	DWRT	990	15	Pacific Bank Building, Ayala Avenue, Makati, MM
Ultrasonic Broadcasting System	DWLR	1494	10	Pulilan, Bulacan
United Broadcasting Network	DWBC	1422	15	11th/F. FEMS--Tower I, Zobel Roxas cor. South Superhighway, Makati, MM
Voice of the Philippines	DZRB	918	50	Media Center, Bohol Avenue, Quezon City

FM Radio Stations	Callsign	Frequency (kHz)	Power (KW)	Station Location
ABS-CBN Broadcasting Corporation	DZOO	101.9	10	Broadcast Center, Bohol Avenue, Quezon City
Audiovisual Communicators	DWRX	93.1	10	10th Floor, Country Space I Building, Gil Puyat Avenue, Makati, MM
Bureau of Broadcasts (VOP)	DWBR	104.3	25	Media Center Building, Bohol Avenue, Quezon City
Catholic Welfare Organization	DWCS	103.5	10	Buick Street, Fairview Park, Quezon City
CBC Radio Network, Incorporated	DWTM	89.9	25	Philcomcen Building, Ortigas Avenue, Pasig, Metro Manila
Cebu Broadcasting Company	DZMB	90.7	20	15th Floor, Strata Building, Emerald Avenue, Pasig, MM
Crusaders Broadcasting System	DWAD	97.9	10	209 dela Paz Street, Mandaluyong, MM
Eagle Broadcasting Corporation	DWDM	95.5	10	Maligaya Building 2, EDSA, Quezon City
Far East Broadcasting Company (Philippines), Inc.	DZFE	98.7	10	FEBC Compound Karuhatan, Valenzuela, MM
FBS Radio Network	DWLL	94.7	25	Rooftop, Philcomcen Building, Ortigas Avenue, Pasig, MM
GMA Radio/TV Arts	DWLS	97.1	10	RBS Building, EDSA, Diliman, Quezon City
Intercontinental Broadcasting Corporation	DWKB	89.1	10/25	Panay Avenue, Quezon City
Kabuhay Broadcasting System	DWKY	91.5	10	9th Floor, Combank Building, Ayala Avenue, Makati, MM
Makati Broadcasting Network Corporation	DWKS	101.1	10	Insular Life Building, Ayala Avenue, Makati
Mareco Broadcasting Network	DZBM	105.1	10	131 del Monte Avenue, Quezon City
Nation Broadcasting System	DWFM	92.3	10	Jacinta Building, Pasay Road, Makati
People's Broadcasting Services, Inc.	DWSM	102.7	25	15th Floor, Philcomcen Building, Ortigas Avenue, Pasig, MM
Progressive Broadcasting Corporation	DWHI	107.5	10	Solid Bank Building, Paseo de Roxas, Makati, MM
Radio Mindanao Network	DWKC	93.9	10	15th Floor, Philcomcen Building, Ortigas Avenue, Pasig, MM
Rajah Broadcasting Network	DZRJ	100.3	10	J&T Building, Magsaysay Avenue, Sta. Mesa, MM
Raven Broadcasting Corporation	DWCT	88.3	10	13th Floor, Strata 200 Building, Emerald Avenue, Pasig, MM
Trans-Radio Broadcasting Corporation	DWRT	99.5	10	Pacific Banking Building, Ayala Avenue, Makati
United Broadcasting Network	DWRK	96.3	10	11th Floor, FEMS Tower I, Roxas cor. South Superhighway, Makati, MM

Television Stations	Callsign	Output	Power	Station Location
ABS-CBN Broadcasting Corporation	DWWX-TV	Channel 2	35	Mother Ignacia Street, Quezon City
GMA Radio/TV Arts	DZBB-TV	Channel 7	100	EDSA, Quezon City
Intercontinental Broadcasting Corporation	DZIV-TV	Channel 13	25	Broadcast City, Capitol Hills, Quezon City
People's TV Network	DWGT-TV	Channel 4	25	Media Center, Bohol Avenue, Quezon City
Radio Philippines Network	DZKB-TV	Channel 9	25	Broadcast City, Capitol Hills, Quezon City

LIST OF EXISTING CABLE TELEVISION STATIONS AND OPERATORS
(As of June 30, 1989)

1. Aparri Cable TV Services
   Aparri, Cagayan

2. Bicol CATV
   Daet, Camarines Norte

3. Cable Television Network
   Barangay Common, Infanta, Quezon

4. Cagayan Satellite Program Network
   Tuguegarao, Cagayan

5. Clearview CATV System, Inc.
   Tuguegarao, Cagayan

6. Colorview CATV
   Olongapo City

7. Dalisay Video Network CATV
   Calauag, Quezon

8. Nuvue Cablevision
   Baguio City

9. Quezon CATV
   Lucena, Quezon

10. Rosita Veran CATV Services
    Atimonan, Quezon

11. Sining Makulay, Inc.
409 P. Guevarra cor Ibanez St.
San Juan, Metro Manila

12. SMS CATV Limited
Gumaca, Quezon and Lopez, Quezon

13. Subic CATV
Subic, Zambales

Source: National Telecommunications Commission.

EQUIPMENT BRANDS USED BY SELECTED NETWORKS

Type of Equipment	Major Brands
Transmitters	Collins Continental GE
Transmitters-Receivers	GE Motorola Standard
Video Equipment	Bosch RCA Sony Toshiba
Audio Equipment	AKG Crown Harris Kenwood Sansui Sony Sure Technics
Recording Equipment	Antex Sony Tascam Teac
Cables	Avesco

Source: Interviews.

VALUE OF PHILIPPINE IMPORTS OF BROADCAST EQUIPMENT AND ACCESSORIES
BY TYPE OF EQUIPMENT AND BY COUNTRY: 1987-88
(IN US$)

A. Transmitting Equipment

	Radio broadcasting transmitters		TV transmitters		Transmitters-Receivers		Transmitting tubes		Total	
Country	Value	% Share	Value	% Share	Value	% Share	Value	% Share	Value	% Share
United States	73,250	36.79	89,774	100.00	1,522,891	57.22	16,405	100.00	1,702,320	57.38
Japan					893,873	33.58			893,873	30.13
Canada	125,840	63.21							125,840	4.24
Hong Kong					71,745	2.70			71,745	2.42
United Kingdom & Northern Ireland					1,295	0.05			1,295	0.04
Others					171,817	6.46			171,817	5.79
Total	199,090	100.00	89,774	100.00	2,661,621	100.00	16,405	100.00	2,966,890	100.00

B. Video Equipment

Country	TV Monitors		TV Cameras		TV Camera Parts		Total	
	Value	% Share	Value	% Share	Value	% Share	Value	% Share
Japan	83,074	30.84	218,510	26.43	886,780	77.34	1,188,364	52.99
United States	122,734	45.57	309,733	37.47	86,980	7.59	519,447	23.16
Germany			236,263	28.58			236,263	10.54
Hong Kong	8,504	3.16	40,879	4.94	169,819	14.81	219,202	9.77
Taiwan	28,926	10.74			629	0.05	29,555	1.32
Korea	7,149	2.65	12,433	1.50			19,582	0.87
Singapore	9,115	3.38	7,509	0.91			16,624	0.74
Italy	6,079	2.26	1,362	0.16	2,363	0.21	9,804	0.44
Canada	3,494	1.30					3,494	0.16
Malaya, Federation of	265	0.10					265	0.01
Total	269,340	100.00	826,689	100.00	1,146,571	100.00	2,242,600	100.00

C. Audio Equipment

Country	Microphones		Microphone Parts		Microphone Stands		Audio-frequency Amplifiers		Record Players or Changers		Turntables		Total	
	Value	% Share	Value	% Share	Value	% Share	Value	% Share	Value	% Share	Value	% Share	Value	% Share
Japan	84,926	19.50	317,558	79.98	1,750	23.48	157,544	40.41	13,750	96.49			575,528	43.61
Taiwan	315,302	72.40	78,403	19.75	3,709	49.77	21,927	5.62			2,636	4.81	422,975	32.05
United States	19,899	4.57	219	0.06	1,994	26.75	78,151	20.05			69,846	92.11	100,263	7.60
Korea							9,137	2.34					78,783	5.97
Hong Kong	2,211	0.51	888	0.22			34,883	8.90	500	3.51			36,282	2.90
Norway							26,739	6.87			2,329	3.08	29,128	2.21
Singapore	9,976	2.29					13,906	3.57					23,882	1.81
France							14,761	3.79					14,761	1.12
Netherlands							12,510	3.21					12,510	0.95
Germany	957	0.22					9,158	2.35					10,115	0.77
United Kingdom & Northern Ireland							9,591	2.46					9,591	0.73
Austria	2,249	0.52						0.00					2,249	0.17
Mexico							941	0.24					941	0.07
Italy							711	0.18					711	0.05
Total	435,520	100.00	397,068	100.00	7,453	100.00	389,819	100.00	14,250	100.00	75,609	100.00	1,319,719	100.00

D. Recording Equipment

Country	TV Image and Sound Recorder and Reproducers (Magnetic)	
	Value	% Share
United States	648,411	59.39
Japan	250,708	22.96
Hong Kong	139,404	12.77
Switzerland	51,174	4.69
United Kingdom & Northern Ireland	2,044	0.19
Total	1,091,741	100.00

E. Parts and Accessories

Country	Parts and Accessories Fabricated for TV equipment	
	Value	% Share
Japan	731,494	76.39
United States	226,041	23.61
Total	957,535	100.00

F. Insulated Cables

Country of Origin	Value	% Share
Japan	12,175,100	29.99
US	12,053,265	29.69
Taiwan	11,853,483	29.20
Germany	2,203,702	5.43
Korea	440,771	1.09
Singapore	408,809	1.01
UK & North. Ireland	300,838	0.74
Hong Kong	285,164	0.70
Thailand	212,420	0.52
Australia	212,481	0.52
Sweden	151,170	0.37
Austria	114,630	0.28
Italy	66,610	0.16
Malaya	62,259	0.15
Netherlands	29,158	0.07
Switzerland	10,829	0.03
Belgium	8,024	0.02
China	7,100	0.02
Others	4,084	0.01
Total	40,599,897	100.00

G. Lighting Equipment

Country	Value (US$)	% Share
Taiwan	1,221,818	21.06
Japan	1,031,153	17.77
United States	1,018,980	17.56
Germany	618,649	10.66
Hong Kong	596,798	10.29
Others	609,683	10.51
Netherlands	408,117	7.03
Singapore	273,330	4.71
France	23,138	0.40
Total	5,801,666	100.00

Source: Foreign Trade Statistics, National Statistics Office.

PROFILE OF MAJOR LOCAL DISTRIBUTORS OF IMPORTED BROADCAST EQUIPMENT

ERMITA ELECTRONICS, INCORPORATED

Principal activity	:	Fabricator/Distributor
Business address	:	1143-G Del Monte Avenue, Quezon City Suite 202, Centrum II Building 150 Valero Street, Salcedo Village Makati, Metro Manila
Telephone no.	:	98-56-86
Products	:	AM-FM transmitters and antenna systems TV transmitters and antenna systems Broadcast audio equipment Communication equipment Linear amplifiers
Services	:	Consultancy--radio communication andbroadcast system designs,station planning, broadcast operations and maintenance, broadcast facilities updating or modifications, studio lighting systems, studio acoustics.
Contact person:		Engr. Arcadio Carandang

EMPIRE COMMUNICATIONS, INCORPORATED

Principal activity	:	Distributor/Fabricator
Business address	:	7th Floor, Salamin Building 197 Salcedo Street, Legaspi Village, Makati, Metro Manila
Tel. no.	:	818-2597 817-3814 86-49-61 to 64
Telex	:	66083 EMPEX PN
FAX no.	:	817-75-14
Major products	:	Radio and TV transmitters Studio Equipment Telecommunications systems, including telephone systems Tubes and parts for broadcast equipment
Brand names distributed exclusively	:	Broadcast Electronices Electro Voice Emcee Fidelipac Feedback
Other brand names	:	Tascam Andrew Moseley Marti Leitch Central Dynamics Moseley Stanton Neumann Potomac Instruments
Contact Person	:	Engr. Bienvenido Niles Manager, Products/Engineering

ELECTRO-SYSTEMS INDUSTRIES CORPORATION

Principal activity	:	Distributor
Office address	:	Ground Floor, ENZO Building 399 Sen. Gil Puyat Avenue Makati, Metro Manila
Telephone no.	:	818-3575
Telex	:	(RCA)22364 ESI PH
Fax no.	:	(632) 817-7136
Major products	:	Building automation systems Fire protection systems Audio products
Brand names of audio equipment	:	Biamp Bose Crown Cetec Gauss Dolby Dis Congress Service Copenhagen Studer Revox Sennheiser Soundcraft
Services	:	Installation, repair, and relocation
Contact person	:	Mr. Victor Pineda Manager, Audio Products

ELECTRO PACIFIC CORPORATION

Principal activity	:	Distributor
Business address	:	Suite 205, Criscor Building 1258 Quezon Avenue Quezon, Metro Manila
Telephone no.	:	97-71-29
Telex	:	17651-6 NPC
Major products	:	TV transmitters and translators Lighting systems TV cameras and other studio equipment
Brand names	:	Thomson CSF Hitachi Ryudensha
Contact person	:	Mr. Jose Tianco President

SOLID INDUSTRIES, INCORPORATED

Principal activity	:	Manufacturer/Distributor
Business address	:	1000 J. Bocobo Street Ermita, Manila
Telephone no.	:	521-39-30 to 42
Major products	:	Colored and monochrome TV monitors Video tape recorders/ players Video cassette recorders
Brand name	:	Sony
Contact person	:	Mr. Dante Lanorio

MARCOM MACHINERY SALES, INCORPORATED

Principal activity	:	Distributor/Manufacturer
Business address	:	Ground Floor, Eurovilla I Condominium Corner Legaspi and Herrera Streets Makati, Metro Manila
Telephone no.	:	818-0283
Major products	:	Food processing and packaging equipments Television station equipment
Brand name	:	Bosch
Contact person	:	Mr. Hans Bosshard President

ROCIS, INCORPORATED

Principal activity	:	Distributor/Wholesaler/Retailer
Business address	:	Ground Floor, Cordova Condominium Corner Valero and Sedeo Streets Makati, Metro Manila
Telephone no.	:	815-27-27
Telex	:	RCA 22279 RSI PH
Facsimile no.	:	815-27-27
Major products	:	Telecommunications equipment Wires and cables Satellite transmission equipment
Brand names	:	Catel Essex ADC
Contact person	:	Ms. Susan Amancio

MASCHINEN AND TECHNIK, INCORPORATED

Principal activity	:	Distributor
Business address	:	E. Rodriguez, Jr. Avenue Pasig, Metro Manila 2nd and 3rd Floors, LM Power Building 106 E. Rodriguez, Sr. Street Libis, Quezon City (new address starting December, 1989)
Telephone no.	:	673-6214 to 7 722-5571 (temporary number for new office)
Telex	:	63972 MTI PH 29057 MCTN PH
Major products	:	Electrical equipment Telecommunication systems
Brand name	:	Siemens
Contact person	:	Mr. Oligario Serafica Group Manager

ADTRONICS, INCORPORATED

Principal activity	:	Distributor
Business address	:	Suite 819, Ortigas Building Ortigas Avenue, Pasig, Metro Manila
Telephone no.	:	673-2060 673-1488
Fax no.	:	673-1488 631-3093
Major products	:	Transmitters Radio and television studio equipment
Brand names	:	Harris Allied International TFT Andrew Orban Scala Midwest CATV Jampro Antenna Videotek
Contact person	:	Mr. Don Mayer President

EUROPHIL INDUSTRIES CORPORATION

Principal activity	:	Manufacturer/Distributor
Business address	:	Alejandro Compound, Millionaire's Village Novaliches, Quezon City
Telephone no.	: :	40-45-17 90-49-09
Telex	:	27927 EIC PH
Major products	:	Transceivers Transmitter-receiver systems
Brand names	:	Stoner Kachina
Contact person	:	Engr. Ricky Alejandro

Sources: Product Guide Philippines, Grafik Concepts and Designs, Interviews.